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A SURVEY OF THE AGRICULTURAL TRADE BETWEEN THE UNITED STATES AND CANADA

1935 to 1937

Washington, D. C.
July 1937

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A SURVEY OF THE AGRICULTURAL TRADE BETWEEN THE UNITED STATES AND CANADA 1935 TO 1937

Presented in this survey is a series of tables showing the developments in trade between the United States and Canada, particularly with respect to agricultural products, for the calendar years 1935 and 1936 and for the first quarters of 1936 and 1937. The information is of interest in connection with the trade agreement between the two countries, which has been in effect since January 1, 1936.

In appraising the significance of these data, it should be recognized that, in general, the trade between the two countries consists mainly of imports into the United States from Canada of agricultural and forest products and exports to Canada from the United States of industrial products. Account also must be taken of the unusual drought conditions in the United States which have tended to increase our imports and to reduce our exports.

Although agricultural products hold a secondary position among United States exports to Canada, the agreement resulted in the granting by Canada of concessions on a wide range of American agricultural products. Reductions in import charges by Canada affected about 125 agricultural, horticultural, and related products. In 1935, the aggregate value of these items represented about 38 percent of the total value of our agricultural products exported to Canada. The duty reductions made by the United States on Canadian agricultural items, on the other hand, covered 24 items which, in 1935, represented about 21 percent of the total value of our agricultural imports from Canada.

THE TRADE SUMMARIZED

Table 1 summarizes the agricultural and non-agricultural trade between the United States and Canada since January 1, 1935. The agricultural trade is divided as to those items upon which import charges were reduced and those not so affected. The principal points brought out by the figures covering 1935 and 1936 are:

1. Exports of agricultural and non-agricultural products from the United States to Canada increased in 1936 over 1935 in about the same proportion, although in both years the value of exports of non-agricultural products was between 6 and 7 times larger than the value of exports of agricultural products.

2. Exports of American agricultural products on which Canada reduced import charges made a percentage increase in 1936 over 1935 about 4 times as large as the increase in exports of items upon which no reductions were granted.

3. Imports of Canadian agricultural products into the United States in 1936 increased to a relatively greater extent than did imports of non-agricultural products.

4. Imports into the United States of agricultural items on which the United States granted duty reductions increased substantially more than did imports of other agricultural products.

5. The total value in 1936 of exports of American agricultural products on which Canada made reductions in charges was slightly larger than the value of imports of Canadian agricultural products on which the United States granted reduced duties.

In consideration of the points presented above, it is important to keep in mind, first, the reduced agricultural supplies and higher prices in 1936 resulting from drought, especially in the United States, and, second, the improved economic conditions in both countries. These factors probably have had more effect on the volume and value of the agricultural trade between the United States and Canada than have the concessions made in the agreement, especially with respect to imports into the United States.

The effects of drought in the United States upon imports of agricultural products from Canada are illustrated clearly by the heavy increase in the 1936 value of imports upon which this country granted no concessions. For example, wheat alone, paying a full duty of 42 cents per bushel, accounted for about half of the increase in total value of agricultural imports in 1936. As early as 1935, prior to the agreement, the drought losses of 1934 contributed materially to the higher cattle prices which resulted in imports much heavier than in any year since 1929. In 1936, continued imports of cattle at relatively high prices resulted in the total value of that item representing about half of the value of all agricultural concession items imported from Canada.

As regards agricultural exports in 1936, the advanced United States prices undoubtedly curtailed the movement of many products, especially certain grains and meats. Under the circumstances, it would not have been surprising had the 1936 exports failed to exceed those of 1935. As a matter of fact, our total agricultural exports to Canada showed an increase of 19.4 percent, and those on which Canada reduced its import charges increased 41.1 percent.

Table 1 also includes trade figures covering the first quarters of 1936 and 1937. The factors influencing trade so far this year represent a continuation and, in some cases, an intensification of the conditions prevailing during 1936. The effect of these conditions on the United States 1937 export trade in agricultural products has been to concentrate practically all of the increase over last year among items on which Canadian import charges were reduced. On the United States import side, the higher United States prices have resulted in increases in total values, despite the fact that in some cases quantity figures have declined. The percentage increase

in the value of imports of concession items, however, has been less than that shown for the year 1936 over 1935, while the reverse is true with respect to imports of non-concession items.

TABLE 1. UNITED STATES: Summary of trade with Canada in concession and non-concession agricultural items, and total value, calendar years 1935 and 1936 and first quarter of 1936 and 1937

Item and period	1935	1936	Increase or decrease: Amount	Increase or decrease: Percentage
	1,000 dollars	1,000 dollars	1,000 dollars	Percent
Calendar years				
Exports -				
All commodities	308,157	368,767	+ 60,610	+ 19.7
Non-agricultural	264,313	316,434	+ 52,121	+ 19.7
Agricultural	43,844	52,333	+ 8,489	+ 19.4
Agricultural on which duties were reduced under the agreement	12,298	17,349	+ 5,051	+ 41.1
Other agricultural	31,546	34,984	+ 3,438	+ 10.9
Imports -				
All commodities	286,112	377,616	+ 91,504	+ 32.0
Non-agricultural	221,786	275,322	+ 53,536	+ 24.1
Agricultural	64,326	102,294	+ 37,968	+ 59.0
Agricultural on which duties were reduced under the agreement	7,803	16,931	+ 9,128	+117.0
Other agricultural	56,523	85,363	+ 28,685	+ 50.7

Item and period	1936	1937	Increase or decrease: Amount	Increase or decrease: Percentage
	1,000 dollars	1,000 dollars	1,000 dollars	Percent
First quarter				
Exports -				
All commodities	75,941	95,371	+ 19,430	+ 25.6
Non-agricultural	64,434	82,767	+ 18,333	+ 28.5
Agricultural	11,507	12,604	+ 1,097	+ 9.5
Agricultural on which duties were reduced under the agreement	4,451	5,498	+ 1,047	+ 23.5
Other agricultural	7,056	7,106	+ 50	+ .7
Imports -				
All commodities	74,029	100,273	+ 26,244	+ 35.5
Non-agricultural	57,105	71,963	+ 14,858	+ 26.0
Agricultural	16,924	28,310	+ 11,386	+ 67.3
Agricultural on which duties were reduced under the agreement	3,694	6,561	+ 2,867	+ 77.6
Other agricultural	13,230	21,749	+ 8,519	+ 64.4

Compiled from official records of the Bureau of Foreign and Domestic Commerce.

EXPORTS

Table 2 shows the United States exports to Canada in 1935 and 1936 of the agricultural products upon which Canada reduced import charges. The data are arranged according to commodity groups, the most important in point of value being those on fruits and vegetables. Table 3 summarizes the 1935-1936 trade by quarterly periods.

Most of the concessions granted by Canada were secured by virtue of the fact that Canada extended to the United States the intermediate rates of duty paid by the countries with which Canada has most-favored-nation relations. These rates usually are lower than the general rates charged on those goods from non-Empire countries with which Canada does not have such relations, but are higher than the rates applied to goods from Empire countries. The duty rates under which Canada in 1936 admitted the agricultural products listed in table 2 ranged in general from one-half to two-thirds of the rates charged from 1930 to 1935. In some cases, the agreement rate is less than half of the former rate, and in a few cases the Canadian import duties were removed entirely.

About half of the value of the American export items on which Canada reduced the import charges is accounted for by fresh, dried, and canned fruit. Exports of this important group increased nearly 40 percent in 1936 over 1935. Substantial increases occurred in the exports of oranges, grapefruit, apples, and pears, the leading fresh fruit items, as well as in a large number of minor fresh fruits, the movement of which is confined largely to the summer months. In addition to granting substantial reductions in the duties on fresh fruit, Canada also reduced the extra valuation charges levied during the Canadian marketing season for comparable domestic products. Similar treatment was granted on numerous items in the fresh vegetable trade. Total exports of fresh, dried, and canned vegetables increased about 28 percent in value in 1936 over 1935. Most of the increase was made in the fresh vegetable items, which accounted for about 90 percent of the total group value in 1936.

Grains and grain products constitute the next commodity group in point of export value, with the 1936 figures showing a gain of 53 percent over 1935. Most of the gain resulted from larger shipments of corn and corn products, and probably reflected somewhat the increase in United States corn production in 1935 over that of the drought year 1934. In meats, a larger movement of pork products was chiefly responsible for an increase in value of over 180 percent for the group as a whole. The duty rates on pork were reduced by from 50 to 65 percent below the pre-agreement rates. There was, however, an import balance for 1936 in the pork trade with Canada.

Exports of other animal products, including lard, increased in value by 49 percent in 1936, the exports of lard alone being several times larger than in 1935. The lard exports in 1936 accounted for 64 percent of the total movement of this group. Exports of eggs in the shell also increased heavily in 1936. That item was one of those for which Canada abolished the extra duty valuations as well as reducing the import duty by 50 percent. The 1936 exports of live animals, a relatively unimportant group in the trade with Canada, increased 19 percent over the 1935 level.

In table 4, the United States exports of the same commodity groups are shown for the first quarters of 1936 and 1937. The 1937 figures reflect the reduced supplies and higher prices in the United States resulting largely from the droughts of 1934 and 1936. In most groups where increases in value over 1936 are shown, the degree of increase is considerably smaller than the increases established in 1936 over 1935 figures. For most items, increases in value have been considerably larger than increases in volume and, in some cases, the higher 1937 value has been accompanied by a decline in volume.

Meat exports to Canada this year reflect particularly heavy reductions in supply as a result of drought, especially in pork products. The 1937 total export value of the group was nearly 61 percent below the comparable 1936 figures, in contrast with the gain made in the latter year over 1935. This year the United States has a heavier import balance in the pork trade with Canada. In the other animal products, a fairly well sustained export business in lard has resulted in a 1937 lead of about 15 percent over last year's figures for the group, but exports of eggs in the shell have declined sharply.

In the important fruit group, which accounted for 55 percent of the total 1937 export trade of the items under review, the increase in value over 1936 stood at about 29 percent. In fresh fruit, the 1937 volume of orange and grapefruit movement was smaller than a year earlier, but the value showed an increase. In apples and pears a sharp increase in both volume and value is shown for the first 3 months of 1937. Some increase in the Canadian consumption of American apples and pears probably took place, but in all probability the greater part of the indicated increase resulted from the overseas movement of American fruit through Canadian ports during the strike of American Pacific maritime workers.

Field and garden seeds and nursery stock were other concession items of which the 1937 exports reflected the drought conditions in the United States. The export movement this year was about the same as in 1936, whereas in that year those items made substantial gains over the 1935 figures. The United States seed requirements have resulted in a somewhat heavier than usual importation of such items from Canada and other countries this year.

TABLE 2. UNITED STATES: Exports to Canada of agricultural commodities on which duties were reduced, January-December, 1935 and 1936

Commodity	Unit	January-December a/ Quantity 1935	Quantity 1936	Value 1935	Value 1936
				1,000 dollars	1,000 dollars
Animals -					
Horses	Head	155	314	63	83
Live poultry	Thousand lb.	13	75	8	17
Others				238	268
Total animals				309	368
Meats -					
Pork, pickled or salted	Thousand lb.	420	3,127	46	358
Hams and shoulders	Thousand lb.	248	604	55	126
Bacon and sides	Thousand lb.	41	110	8	13
Pork, canned	Thousand lb.	73	269	31	88
Pork, fresh	Thousand lb.	303	77	40	10
Other meats	Thousand lb.	301	520	68	104
Total meats	Thousand lb.	1,386	4,707	248	699
Other animal products -					
Lard (including neutral lard)	Thousand lb.	646	2,903	82	354
Sausage casings	Thousand lb.	819	623	264	139
Eggs in the shell	Thousand doz.	15	105	9	35
Miscellaneous				16	25
Total other animal products				371	553
Grains and grain products -					
Corn and cornmeal	Thousand bu.	b/ 133	b/ 415	259	409
Rice, cleaned	Million lb.	7,774	4,787	272	162
Wheat and wheat flour	Thousand bu.	c/ 34	c/ 123	52	139
Biscuits, unsweetened	Thousand lb.	696	796	76	83
Hominy and corn grits	Million lb.	6,317	7,582	142	153
Others				149	509
Total grains and grain products				950	1,455
Vegetables and preparations-					
Potatoes	Million lb.	10	12	140	279
Other fresh vegetables				2,710	3,365
Canned vegetables				74	127
Dried vegetables				77	82
Vegetable preparations				143	166
Total vegetables and preparations				3,144	4,019

Continued -

TABLE 2. UNITED STATES: Exports to Canada of agricultural commodities on which duties were reduced, January-December, 1935 and 1936, cont'd

Commodity	Unit	January-December a/ Quantity 1935	Quantity 1936	Value 1935	Value 1936
				1,000 dollars	1,000 dollars
Fruit and preparations -					
Oranges, fresh	Thousand bx.	d/ 768	d/ 1,109	d/ 1,911	d/ 2,621
Grapefruit, fresh	Thousand bx.	445	534	811	1,079
Apples, fresh	Thousand lb.	e/ 6,767	e/ 18,375	182	519
Pears, fresh	Thousand lb.	19,115	27,726	503	688
Other fresh fruit				2,177	2,931
Pears, dried	Thousand lb.	291	382	20	26
Peaches, dried	Thousand lb.	1,693	1,739	126	140
Apricots, dried	Thousand lb.	923	1,238	107	130
Other dried and evaporated fruit	Thousand lb.	1,356	1,393	79	82
Apricots, canned	Thousand lb.	38	181	3	12
Peaches, canned	Thousand lb.	148	130	11	9
Pineapples, canned	Thousand lb.	768	1,888	62	136
Other canned and preserved fruit	Thousand lb.	1,535	1,777	145	190
Total fruit and preparations				6,137	8,563
Nuts-					
Pecans	Thousand lb.	283	1,114	89	258
Other nuts	Thousand lb.	1,492	1,411	240	214
Total nuts	Thousand lb.	1,775	2,525	329	472
Molasses	Thousand gal.	283	457	61	67
Sirup, including maple	Thousand gal.	50	60	10	17
Malt extract and sirup	Thousand lb.	137	139	9	11
Fruit juices	Thousand gal.	361	589	263	394
Field and garden seeds	Thousand lb.	1,665	4,347	271	454
Nursery and greenhouse stock				174	253
Miscellaneous items				22	24
Total				12,298	17,349

Compiled from official records of the Bureau of Foreign and Domestic Commerce. a/ Preliminary. b/ Cornmeal converted at the rate of 4 bushels of corn to 1 barrel of meal. c/ Wheat flour converted at the rate of 4.7 bushels of wheat to 1 barrel of flour. d/ January to April, free entry having been granted under the agreement for these months only. e/ Apples converted at the following rates: 48 pounds to 1 bushel basket, 44 pounds to 1 box, 140 pounds to 1 barrel.

TABLE 3. UNITED STATES: Exports to Canada by quarters, 1935 and 1936

Classification	1935	1936 a/	Increase or decrease
	Thousand dollars	Thousand dollars	Thousand dollars
All commodities -			
First quarter	67,792	75,941	+ 8,149
Second quarter	83,283	98,976	+15,693
Third quarter	80,503	90,751	+10,248
Fourth quarter	76,579	103,099	+26,520
12 months	308,157	368,767	+60,610
Non-agricultural -			
First quarter	57,743	64,434	+ 6,691
Second quarter	72,787	85,075	+12,288
Third quarter	71,078	80,085	+ 9,007
Fourth quarter	62,705	86,840	+24,135
12 months	264,313	316,434	+52,121
Agricultural -			
First quarter	10,049	11,507	+ 1,458
Second quarter	10,496	13,901	+ 3,405
Third quarter	9,425	10,666	+ 1,241
Fourth quarter	13,874	16,259	+ 2,385
12 months	43,844	52,333	+ 8,489
Agricultural on which duties were reduced under the agreement -			
First quarter	3,562	4,451	+ 889
Second quarter	4,062	5,568	+ 1,506
Third quarter	2,409	3,670	+ 1,261
Fourth quarter	2,265	3,660	+ 1,395
12 months	12,298	17,349	+ 5,051
Other agricultural -			
First quarter	6,487	7,056	+ 569
Second quarter	6,434	8,333	+ 1,899
Third quarter	7,016	6,996	- 20
Fourth quarter	11,609	12,599	+ 990
12 months	31,546	34,984	+ 3,438

Compiled from official records of the Bureau of Foreign and Domestic Commerce.
a/ Preliminary.

TABLE 4. UNITED STATES: Exports to Canada of agricultural commodities on which duties were reduced, January-March, 1936 and 1937

Commodity	Unit	January-March Quantity 1936	Quantity 1937	Value 1936	Value 1937
				1,000 dollars	1,000 dollars
Animals -					
Horses	Head	60	62	9	12
Live poultry	Thousand lb.	10	6	5	4
Other				16	22
Total animals				30	38
Meats -					
Pork, pickled or salted	Thousand lb.	471	83	69	10
Pork, cured a/	Thousand lb.	137	88	24	18
Pork, canned	Thousand lb.	54	19	17	8
Pork, fresh	Thousand lb.	22	b/	2	b/
Other meats	Thousand lb.	47	44	10	12
Total meats	Thousand lb.	731	234	122	48
Other animal products -					
Lard (including neutral lard)	Thousand lb.	442	609	48	80
Sausage casings	Thousand lb.	261	125	30	32
Eggs in the shell	Thousand doz	78	10	22	6
Miscellaneous				2	b/
Total other animal products				102	118
Grains and grain products -					
Corn and cornmeal c/	Thousand bu.	25	14	44	34
Rice, cleaned	Thousand lb.	2,746	841	91	32
Wheat and wheat flour d/	Thousand bu.	21	93	37	103
Biscuits, unsweetened	Thousand lb.	660	571	64	59
Hominy and corn grits	Million lb.	1	2	19	57
Others				56	79
Total grains and grain products				311	364
Vegetables and preparations -					
Potatoes	Thousand lb.	456	370	11	15
Other fresh vegetables				1,004	1,278
Canned vegetables				19	22
Dried vegetables				32	64
Vegetable preparations				41	42
Total vegetables and preparations				1,107	1,421
Fruits and preparations -					
Oranges and grapefruit	Thousand bx.	913	888	2,068	2,382
Apples and pears	Thousand lb.	2,746	7,208	62	242
Other fresh fruit				76	145
Dried and evaporated fruit	Thousand lb.	1,173	1,180	96	101
Canned and preserved fruit	Thousand lb.	758	2,526	65	184
Total fruit and preparations				2,367	3,054

Continued -

TABLE 4. UNITED STATES: Exports to Canada of agricultural commodities on which duties were reduced, January-March, 1936 and 1937, cont'd

Commodity	Unit	January-March			
		Quantity		Value	
		1936	1937	1936	1937
				1,000 dollars	1,000 dollars
Nuts	Thousand lb.	346	353	93	101
Molasses	Thousand gal.	63	47	15	11
Sirup, including maple	Thousand gal.	12	8	5	2
Malt extract and sirup	Thousand lb.	83	3	5	b/
Fruit juices	Thousand gal.	87	209	58	103
Field and garden seeds	Thousand lb.	1,432	1,170	163	164
Nursery and greenhouse stock				70	70
Miscellaneous items				3	4
Total				4,451	5,498

Compiled from official records of the Bureau of Foreign and Domestic Commerce.

a/ Includes hams and shoulders, bacon, and Cumberland and Wiltshire sides.

b/ Less than 500.

c/ Cornmeal converted at the rate of 4 bushels of corn to 1 barrel of meal.

d/ Wheat flour converted at the rate of 4.7 bushels of wheat to 1 barrel of flour.

IMPORTS

The four outstanding reductions in the United States duties on imports from Canada were those affecting live cattle, cheddar cheese, fluid cream and certified seed potatoes. The combined 1936 value of those imports represented 64.8 percent of the trade in all items upon which the United States granted reductions in duty, and the value of the cattle imports alone represented about 52 percent of that trade. Below are comments in some detail on the United States imports of the four items indicated, together with pertinent statistical material shown in tables 4 to 13. The import trade in all items on which the United States import duties were reduced is summarized for 1935 and 1936 in tables 14 and 15. Table 16 summarizes the trade for the first quarters of 1936 and 1937.

Cattle

The three United States concessions to Canada affecting cattle apply to fixed annual quotas: Cattle weighing 700 pounds or more, excluding dairy cows, 155,799 head; calves weighing less than 175 pounds, 51,933 head; dairy cows weighing 700 pounds or more, 20,000 head. All quotas are available to any country in a position to supply the type of cattle specified. In practice, however, only Canada and Mexico supply significant numbers of duitable live cattle to the United States.

For cattle in the first quota named, the duty was reduced to 2 cents per pound from the rate of 3 cents established in the Tariff Act of 1930. The concession rate on the calf quota is 1.5 cents against the usual 2.5-cent rate. On the small quota for dairy cows, the 3-cent rate of 1930 was reduced to 1.5 cents per pound. When any quota is filled, additional imports of that class of cattle may be made upon payment of the regular rates of duty. The concessions do not affect cattle weighing less than 700 pounds and more than 175 pounds.

TABLE 5. CATTLE: Imports into the United States from Canada and Mexico, by quarters, 1935 and 1936

Country, year, and month	700 pounds and over			Under 700 pounds			Total dutiable cattle
	Dairy cows	Others	Total	Less than 175 pounds	175 to 699 pounds	Total	
	Number	Number	Number	Number	Number	Number	Number
CANADA:							
1935 -							
First quarter..	a/	a/	16,166	a/	a/	5,231	21,397
Second quarter.	a/	a/	34,089	a/	a/	16,912	51,001
Third quarter..	a/	a/	6,526	a/	a/	14,547	21,073
Fourth quarter.	a/	a/	3,149	a/	a/	16,100	19,249
Total	a/	a/	59,930	a/	a/	52,790	112,720
1936 -							
First quarter..	671	31,861	32,532	4,261	2,246	6,507	39,039
Second quarter.	2,010	78,855	80,865	29,923	8,095	38,018	118,883
Third quarter..	2,214	21,580	23,794	18,183	12,688	30,871	54,665
Fourth quarter.	1,791	4,237	6,028	3,328	12,120	15,448	21,476
Total	6,686	136,533	143,219	55,695	35,149	90,844	234,063
MEXICO:							
1935 -							
First quarter..	a/	a/	152	a/	a/	73,937	74,089
Second quarter.	a/	a/	1,958	a/	a/	75,376	77,334
Third quarter..	a/	a/	757	a/	a/	23,287	24,044
Fourth quarter.	a/	a/	5,755	a/	a/	69,868	75,623
Total	a/	a/	8,622	a/	a/	242,468	251,090
1936 -							
First quarter..	0	11,663	11,663	226	49,154	49,380	61,043
Second quarter.	0	7,884	7,884	406	52,195	52,601	60,485
Third quarter..	0	1,908	1,908	983	16,466	17,449	19,357
Fourth quarter.	0	735	735	0	22,426	22,426	23,161
Total	0	22,190	22,190	1,615	140,241	141,856	164,046

a/ Not classified prior to January 1, 1936.

In 1935, prior to the making of the Canadian trade agreement, advancing prices in the United States resulted in imports of dutiable live cattle of all weights to the extent of 365,000 head. That figure was the largest for any year since 1929. On a dressed-weight basis, the 1935 imports represented 2 percent of the total 1935 domestic inspected slaughter of cattle and calves. In that year, average farm prices of beef cattle reached $6.49 per 100 pounds, the highest average for any year since 1930. The 1936 imports, with the agreement in force, were only 34,490 head larger than the 1935 figures, and represented 2.1 percent of domestic inspected slaughter. Farm prices declined slightly in 1936, but imported supplies, either in the form of live cattle or of beef, were too small to have a measurable effect upon the national average price level for cattle. Domestic inspected slaughter was 15.5 percent larger in 1936 than in 1935.

TABLE 6. CATTLE: Imports into the United States from Canada and Mexico, by months, 1936 and 1937

Country year and month	700 pounds and over: Dairy cows	700 pounds and over: Other	700 pounds and over: Total	Under 700 pounds: Less than 175 pounds	Under 700 pounds: 175 to 699 pounds	Under 700 pounds: Total	Total dutiable cattle
	Head	Head	Head	Head	Head	Head	Head
CANADA:							
1936 -							
January	290	8,574	8,864	896	832	1,728	10,592
February	181	8,683	8,864	1,230	509	1,739	10,603
March	200	14,604	14,804	2,135	905	3,040	17,844
Total	671	31,861	32,532	4,261	2,246	6,507	39,039
1937 -							
January	460	21,536	21,996	4,190	1,143	5,333	27,329
February	368	14,120	14,488	6,500	343	6,843	21,331
March	534	14,150	14,684	7,064	554	7,618	22,302
Total	1,362	49,806	51,168	17,754	2,040	19,794	70,962
MEXICO:							
1936 -							
January	0	2,319	2,319	161	8,338	8,499	10,818
February	0	3,291	3,291	32	13,819	13,851	17,142
March	0	6,053	6,053	33	26,997	27,030	33,083
Total	0	11,663	11,663	226	49,154	49,380	61,043
1937 -							
January	0	6,327	6,327	18	16,425	16,443	22,770
February	0	3,475	3,475	70	17,990	18,060	21,535
March	0	4,352	4,352	156	22,065	22,221	26,573
Total	0	14,154	14,154	244	56,480	56,724	70,878

Compiled from official records of the Bureau of Foreign and Domestic Commerce.

The 1937 total imports of live cattle and calves have been somewhat larger than those of last year. The increase for the first few months of the year has resulted from larger receipts from Mexico of both quota and non-quota cattle, and of calves from Canada. Supplies of heavy cattle from Canada, however, have run behind those of last year. On a dressed-weight basis, total imports of live cattle and calves in the first quarter of 1937 represented 3.7 percent of the domestic inspected slaughter figures. Prices this year are higher than last in both the United States and Canada. There is somewhat less incentive in Canada to export this year, since the price spread between the two countries is narrower than it was a year ago. Reduced feed supplies and an improved consumer demand have been the chief factors making for higher prices in both countries. Indications are that there are fewer Canadian cattle available for export this year, and the heavy export movement of calves suggests continued liquidation of Canadian cattle numbers.

By May 29, the quota for heavy cattle was 61.87 percent utilized, compared with a utilization of 69.45 percent to the same date in 1936. This year, Canada provided 47.49 percent of the quota imports, and Mexico 14,38 percent. Last year at the same date, Canada had sent cattle equivalent to 58.88 percent of the quota and Mexico, 10.57 percent. In calves, this year 79.06 percent of the quota was used by May 29 against 40.26 percent in the corresponding 1936 period. All but one or two percent of the calf imports came from Canada. Mexico has not utilized the quota for dairy cows either this year or last. This year, a slightly heavier movement of dairy cows from Canada resulted in about 12 percent of the quota being used by May 29, against about 9 percent last year.

TABLE 7. UNITED STATES: Total imports of cattle and beef, and domestic slaughter of cattle and calves, all on dressed weight basis and average farm price of beef cattle, 1928 to 1937

Year	Imports, Dressed weight basis: Cattle (dutiable)	Cattle (dutiable)	Canned beef	Other beef	Total cattle and beef	Federally inspected slaughter of cattle & calves, dressed wt basis	Percent imports are of inspected slaughter	Average per pound farm price of beef cattle
	Head	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	Percent	Cents
1928	517,150	135,215	105,476	57,774	298,465	4,727,008	6.3	9.12
1929	410,656	129,213	159,796	50,727	339,736	4,727,582	7.2	9.15
1930	226,273	49,697	112,210	19,459	181,366	4,704,316	3.9	7.46
1931	85,470	17,797	39,172	3,494	60,463	4,751,470	1.3	5.31
1932	95,407	19,200	49,278	1,697	70,175	4,394,048	1.6	4.07
1933	63,329	9,829	82,688	970	93,487	5,045,914	1.9	3.63
1934	57,679	11,530	93,348	11,149	106,027	5,602,186	1.9	3.88
1935	364,623	105,009	152,526	10,248	267,783	5,167,022	5.2	6.49
1936	399,113	127,076	175,918	6,200	309,194	5,969,906	5.2	6.00
Jan.-April								
1936	178,639	62,297	69,471	2,203	133,971	1,789,081	7.4	6.20
1937	198,155	64,940	44,506	1,896	111,342	1,773,412	6.3	6.69

Cheddar cheese

Under the Tariff Act of 1930, cheddar cheese was dutiable at 7 cents per pound but not less than 35 percent ad valorem. The trade agreement with Canada reduced that rate to 5 cents but not less than 25 percent, with no quantitative limitations on imports. In 1936 the average wholesale price of American cheddar in Wisconsin was nearly 7 percent higher than the 1935 average, despite the fact that domestic production increased over that of 1935 by 5.3 percent. Imports in 1936, which represented about 2.2 percent of domestic production, were about ten times larger than the 1935 imports, and the largest in a number of years. Improved American economic conditions, as reflected in a stronger consumer demand for dairy products, were largely responsible for the utilization of the increased total supplies at advanced prices.

Domestic production of cheddar cheese in the first quarter of 1937 was only slightly smaller than in the comparable 1936 period. Demand conditions continued favorable, and the January-March price of Wisconsin cheddar was nearly 9 percent higher than a year earlier. Imports from Canada in the first quarter of the current year, however, were 36 percent smaller than in the first quarter of 1936. The smaller exports from Canada this year may be largely explained by the fact that cheese prices in that country, as reflected by Montreal quotations, have been about 25 percent higher than in 1936, a considerably greater advance than that made in American markets. Production in eastern Canada this year is running somewhat larger than that of last year.

TABLE 8. CHEDDAR CHEESE: United States production, imports from Canada, and annual average prices, 1928 to 1936

Year	Average price per pound of American cheddar Wisconsin twins	United States production of whole milk cheddar cheese	Imports of cheddar from Canada a/	Percentage imports are of domestic production
	Cents	1,000 pounds	1,000 pounds	Percent
1928	22.1	335,253	7,488	2.23
1929	20.2	370,314	8,279	2.24
1930	16.4	378,816	3,143	.83
1931	12.5	374,648	1,511	.40
1932	10.0	370,734	606	.16
1933	10.2	408,631	1,028	.25
1934	11.7	435,491	1,035	.24
1935	14.3	468,999	769	.16
1936	15.3	494,015	10,781	2.18

a/ Prior to 1936, included small quantities of other types of cheese.

TABLE 9. CHEDDAR CHEESE: United States production, and imports from Canada, by months, average 1925-1929, annual 1936 and 1937

Month	Average 1925-1929			1936			1937		
	Production	Imports from Canada	Percent imports are of production	Production	Imports from Canada	Percent imports are of production	Production	Imports from Canada	Percent imports are of production
	1,000 pounds	1,000 pounds	Percent	1,000 pounds	1,000 pounds	Percent	1,000 pounds	1,000 pounds	Percent
Jan.	18,190	467	2.57	29,455	707	2.40	27,425	396	1.07
Feb.	18,717	284	1.52	27,051	605	2.24	27,174	529	1.94
Mar.	23,128	337	1.46	32,409	1,526	4.70	32,780	886	2.70
Total	60,035	1,088	1.81	88,915	2,838	3.19	87,379	1,811	2.07

a/ Cheddar cheese mostly.

Cream

Prior to the agreement with Canada, the United States import duty on fluid cream was 56.5 cents per gallon. From 1930 to 1934, imports declined to almost nothing, and the annual average price of milk to American farmers also declined. That price in 1933 was $1.30 per 100 pounds against $2.58 in 1928, when Canada sent nearly 4,000,000 gallons of cream to the United States. In the latter year, the milk equivalent of the imported cream represented only 0.3 percent of the milk produced on American farms. Under the new agreement duty rate of 35 cents, imports in 1936 were less than 45,000 gallons out of a low-duty quota of 1,500,000 gallons. The 1937 imports are somewhat larger than those of last year, but the total is still relatively small.

TABLE 10. CREAM: Imports from Canada compared with milk production on farms and average annual farm price of milk, 1928-1936

Year	Average wholesale price of milk to farmers	Milk production of farms	Imports of cream		Percentage imports are of production
			Volume	Milk equivalent by weight	
	Dollars per 100 lb.	Million pounds	Gallons	Thousand pounds	Percent
1928	2.53	95,910	3,620,932	311,400	0.32
1929	2.54	98,782	2,969,889	255,410	0.26
1930	2.21	99,736	1,585,456	136,349	0.14
1931	1.69	101,970	79,435	6,831	a/
1932	1.27	101,863	118,419	10,184	a/
1933	1.30	104,722	25,976	2,234	a/
1934	1.54	101,467	346	30	a/
1935	1.70	101,756	793	68	a/
1936	1.86		44,396	3,818	

a/ Less than 0.01 percent.

TABLE 11. CREAM: Imports into the United States from Canada and total imports, by months, 1936 and 1937

Month	1936		1937	
	Canada	Total	Canada	Total
	Gallons	Gallons	Gallons	Gallons
January	10	10	5,420	5,494
February	246	248	3,780	3,899
March	1,035	1,035	6,822	6,909
Total	1,291	1,293	16,022	16,302

Certified seed potatoes

The United States duty on certified seed potatoes was set in the agreement with Canada at 60 cents per 100 pounds for the months December-February and at 45 cents for the remainder of the year. The pre-agreement rate was 75 cents. The concession rates apply to an annual quota of 750,000 bushels, to be imported during a 12-month period beginning December 1. The odd quota year was established to conform to the United States domestic production control year in operation at the time the agreement was made, but since abandoned. The duty rate was kept at 60 cents for the months indicated in view of commitments made to Cuba affecting those months.

In the first quota year, heavy November imports resulted in a practically complete utilization of the quota. This year, the quota of low-duty potatoes will be filled earlier if imports continue as heavily in excess of last year's figures as they have to date. Up to March 31, 1937, the quota was 52.5 percent utilized against 32.4 percent to the same date in 1936.

TABLE 12. POTATOES: Imports into the United States from Canada and total imports, by months, 1935-36 and 1936-37

Month	1935-36				1936-37			
	Certified seed potatoes		Total potatoes		Certified seed potatoes		Total potatoes	
	Canada	Total	Canada	Total	Canada	Total	Canada	Total
	Bushels	Bushels	Bushels	Bushels	Bushels	Bushels	Bushels	Bushels
Dec. a/	25,617	25,617	33,797	41,750	8,405	8,405	64,453	67,892
Jan.	20,634	20,634	30,306	35,227	8,258	9,175	101,494	115,836
Feb.	8,202	8,202	15,238	30,621	8,765	8,765	68,047	76,556
Mar.	188,919	188,919	190,682	206,862	367,717	367,717	401,136	410,610
Total	243,372	243,372	270,023	314,460	393,145	394,062	635,130	670,894

a/ Quota year begins December 1.

TABLE 13. POTATOES: Imports into the United States from Canada and total imports, by months, 1934-35 and 1935-36

Month	1934-35				1935-36			
	Certified seed potatoes		Total potatoes		Certified seed potatoes a/		Total potatoes	
	Canada	Total	Canada	Total	Canada	Total	Canada	Total
	Bushels	Bushels	Bushels	Bushels	Bushels	Bushels	Bushels	Bushels
Dec.	3,792	3,792	35,897	37,634	25,617	25,617	33,797	41,750
Jan.	0	0	28,532	37,299	20,634	20,634	30,306	35,227
Feb.	14,650	14,650	33,951	40,986	8,202	8,202	15,238	30,621
Mar.	14,893	14,893	46,756	48,497	188,919	188,919	190,682	206,862
Apr.	6,017	6,017	29,488	61,431	135,599	135,599	174,448	190,352
May	10,252	10,252	104,022	106,819	19,964	19,964	65,877	67,044
June	2,444	2,444	5,715	5,715	16,633	16,633	217,481	225,008
July	0	0	146	192	25	25	59,937	60,246
Aug.	0	0	0	413	2,492	2,492	12,554	12,814
Sept.	0	0	55	110	2,671	2,671	3,155	3,322
Oct.	0	0	1,856	1,912	49,523	49,523	52,001	52,001
Nov.	37,218	37,218	64,274	64,510	276,302	276,302	313,045	314,535
Quota year.	89,266	89,266	350,692	405,518	746,581	746,596	1,168,521	1,239,782
	1935-36				1936-37			
Dec.	25,617	25,617	33,797	41,750	8,405	8,405	64,453	67,892

a/ The quota year begins December 1. The year 1935-36 was the first quota year.

Other concession items

Other products upon which the United States reduced its duties in connection with the Canadian trade agreement accounted for 34.9 percent of the total 1936 import trade in such items. The general advance in 1936 of prices for American farm products was an important factor in the increases over the 1935 imports of horses, live and dead poultry, hay, turnips and grass and forage seeds. Increases also were registered for blueberries and other fruits, and for maple sugar. The 1937 imports of hay and seeds represent a continuation of the expanding 1936 figures, especially with respect to value. Imports of live and dead poultry and maple sugar this year also are following the upward direction established in 1936. Declines, however, have been registered for horses, turnips, and frozen blueberries.

TABLE 14. UNITED STATES: Imports from Canada of agricultural commodities on which duties were reduced, January-December, 1935 and 1936

Commodity	Unit	January-December a/			
		Quantity		Value	
		1935	1936	1935	1936
				1,000 dollars	1,000 dollars
Cattle -					
Weighing less than 700 lb. b/	Thousand head	53	91	1,592	1,518
Weighing 700 pounds or over	Thousand head	60	143	3,607	7,229
Total cattle	Thousand head	113	234	5,199	8,747
Poultry -					
Live	Thousand lb.	38	1,118	10	177
Dead c/	Thousand lb.	4	174	1	41
Total poultry	Thousand lb.	42	1,292	11	218
Horses worth not over $150 ea.	Thousand head	5	17	592	2,010
Cheese d/ -					
Cheddar e/	Thousand lb.		10,780		1,464
Other f/	Thousand lb.		394		76
Total cheese d/	Thousand lb.	769	g/ 11,174	105	g/ 1,540
Cream	Gallons	480	44,053	1	65
Cereal breakfast food	Thousand lb.	483	2,539	51	268
Hay	Thousand tons	h/ 19	74	h/ 170	541
Oats i/	Thousand bu.	789	66	319	25
Vegetables -					
Turnips and rutabagas	Million lb.	99	140	541	919
Seed potatoes (white)	Million lb.	7	44	66	704
Peas, green	Thousand lb.	53	0	3	0
Total vegetables	Thousand lb.			610	1,623
Fruits -					
Blueberries, frozen	Thousand lb.	1,345	2,122	63	116
Apples	Thousand bu.	5	19	6	33
Other	Thousand lb.	163	979	13	80
Total fruits				82	229
Grass and other forage seeds -					
Timothy	Thousand lb.	1,974	176	357	10
Canada blue grass	Thousand lb.	136	146	14	17
Other	Thousand lb.	46	6,974	9	655
Total grass, etc	Thousand lb.	2,156	7,296	380	682
Maple sugar	Thousand lb.	1,920	6,206	283	983
Total				7,803	16,931

Compiled from official records of the Bureau of Foreign and Domestic Commerce.

a/ Preliminary. b/ Agreement affected only those weighing less than 175 pounds. These were not separately classified before January 1, 1936. c/ Does not include poultry imported free for use as ship's stores. d/ Excludes Swiss, Romano, Reggiano, Provoloni, Roquefort. e/ Included in "Other" prior to January 1, 1936. f/ Not a concession item. g/ Excludes also Gruyere, Edam, and blue-mold. h/ Does not include hay imported free during 1935 shortage. i/ Duty was reduced only on "Oats, hulled, unfit for human consumption", not separately classified before January 1, 1936, and during 1936 formed 34 percent by volume and 23 percent by value of the item shown.

TABLE 15. UNITED STATES: Imports from Canada by quarters, 1935 and 1936

Classification	1935	1936 a/	Increase or decrease
	Thousand dollars	Thousand dollars	Thousand dollars
All commodities -			
First quarter	58,254	74,029	+ 15,775
Second quarter	71,690	85,810	+ 14,120
Third quarter	73,705	102,554	+ 28,849
Fourth quarter	82,433	115,223	+ 32,760
12 months	286,112	377,616	+ 91,504
Non-agricultural -			
First quarter	45,785	57,105	+ 11,320
Second quarter	55,263	66,788	+ 11,525
Third quarter	58,464	72,099	+ 13,635
Fourth quarter	62,274	79,330	+ 17,056
12 months	221,786	275,322	+ 53,536
Agricultural b/ -			
First quarter	12,469	16,924	+ 4,455
Second quarter	16,427	19,022	+ 2,595
Third quarter	15,241	30,455	+ 15,214
Fourth quarter	20,189	35,893	+ 15,704
12 months	64,326	102,294	+ 37,968
Agricultural on which duties were reduced under the agreement c/ -			
First quarter	2,136	3,786	+ 1,650
Second quarter	3,532	6,420	+ 2,888
Third quarter	1,062	3,546	+ 2,434
Fourth quarter	1,073	3,179	+ 2,106
12 months	7,803	16,931	+ 9,128
Other agricultural -			
First quarter	10,333	13,138	+ 2,805
Second quarter	12,895	12,602	- 293
Third quarter	14,179	26,909	+ 12,730
Fourth quarter	19,116	32,714	+ 13,598
12 months	56,523	85,363	+ 28,840

Compiled from official records of the Bureau of Foreign and Domestic Commerce.

a/ Preliminary.
b/ Does not include distilled spirits.
c/ Includes some non-concession items for comparison with 1935 figures.

TABLE 16. UNITED STATES: Imports from Canada of agricultural commodities on which duties were reduced, January-March, 1936 and 1937

Commodity	Unit	January - March			
		Quantity		Value	
		1936	1937	1936	1937
				1,000 dollars	1,000 dollars
Cattle -					
Dairy cows	Thousand head	1	1	36	80
Weighing less than 175 pounds	Thousand head	4	18	84	340
Weighing 700 pounds or over	Thousand head	32	50	1,754	3,262
Total cattle	Thousand head	37	69	1,874	3,682
Poultry -					
Live	Thousand lb.	153	423	25	66
Dead, chickens and guineas	Thousand lb.	1	19	a/	4
Total poultry	Thousand lb.	154	442	25	70
Horses worth not over $150 each	Thousand head	6	4	695	460
Dairy products -					
Cheddar cheese	Thousand lb.	2,838	1,811	357	267
Cream	Gallons	1,291	16,022	2	24
Total dairy products				359	291
Cereal breakfast foods	Thousand lb.	225	258	19	26
Hay	Thousand tons	2	70	14	527
Oats	Thousand bu.	2	0	1	0
Vegetables -					
Turnips and rutabagas	Million lb.	54	42	327	301
Seed potatoes (white)	Million lb.	13	23	157	460
Peas, green	Million lb.	0	0	0	0
Total vegetables	Million lb.	67	65	484	761
Fruits -					
Blueberries, frozen	Thousand lb.	449	38	23	3
Apples	Thousand bu.	a/	17	a/	32
Other	Thousand lb.	29	0	2	0
Total				25	35
Grass and other forage seeds -					
Timothy	Thousand lb.	0	16	0	1
Canada blue grass	Thousand lb.	49	34	4	5
Other	Thousand lb.	68	4,448	8	507
Total grass, etc	Thousand lb.	117	4,498	12	513
Maple sugar	Thousand lb.	1,050	1,224	186	196
Total				3,694	6,561

Compiled from official records of the Bureau of Foreign and Domestic Commerce.

a/ Less than 500.

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